

DCI Notes
8 Jan 80

WORLDWIDE BRIEFING OUTLINE - MID EAST - SOUTH ASIA

I. World Energy situation (5 min.)

A. Trends

1. Conservation - both in current production & in investment in expanded capacity

(Chart comparing both as seen in '77 & '80)

2. Demand & growth rates down
3. Discoveries vs. consumption in decade of '70s
4. New production vs. demand



5. Soviet - confirmation of forecast

B. Outlook

1. Precarious balance
2. Price pressures likely
3. Oil embargo always possibility

II. Political Issues & Oil (Chart of producers by size)

A. Saudi Arabia - key by size of output & by influence



25X1

25X1

25X1

25X1

25X1



2. Relations w/US vs. relations w/Arab world

a. Camp David forced to choose between splitting Arabs & US

(1) Criticality of Palestinian solution

b. Iraq & Saudis

(1) Rapprochement or superceding?

c. Impact Afghanistan

B. Israel, Egypt & Palestinians

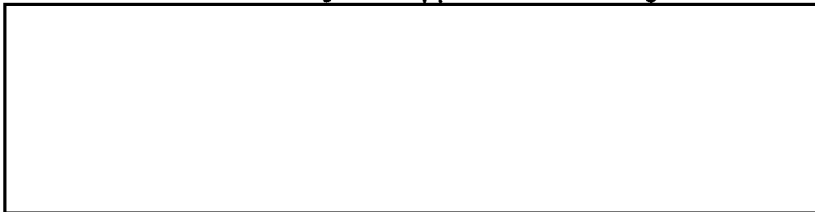
1. Status of CDA -

a. Accomplishments to date

b. Due dates, actions, prospects from now to completion

(Charts)

2. Solidity of opposition amongst Arabs



C. Iraq

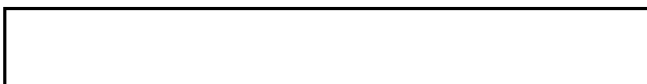
1. Oil policy to increase production. Why?

2. Concern w/Soviets

a. Evidenced in drop in arms purchases

b. Evidenced in Afghan reaction -
e.g. Treaty Friendship

3. Concern/temptation w/Iran



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S E C R E T

D. Iran

1. Internal situation

- a. Rev. Council only gov't - won out over secular gov't
- b. Khomeini veto/guidance
- c. Student veto on hostages
 - (1) Revolution protectors - attempt to be political power factor
- d. Ethnic dissensions
- e. Economic stagnation

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